



U.S. Department of Housing and Urban Development
New York Regional Office, Region II
Jacob K. Javits Federal Building
New York, New York 10278-0058

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MAYOR'S OFFICE

FEB 28 1988

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Honorable, Sharp James
Mayor of Newark, City Hall
920 Broad Street
Newark, New Jersey, 07101

Dear Mayor James:

SUBJECT: Project Nos.: 031-44095/44122/44124/44134
Amity Village II, IV, V, and VII
Newark, New Jersey

This report is the result of our meeting of February 12, 1988 and reflects some of the steps that have been taken to alleviate the situation that exists in Amity Village.

We have located approximately fifteen (15) one and two bedroom units in Newark and five (5) bedroom units in Jersey City that can be utilized for relocation purposes. These units are in either HUD-owned or HUD-supervised properties.

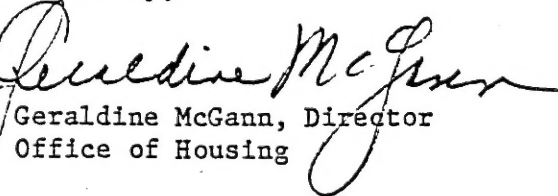
It has also been determined by Regional Counsel that the Letter of Credit in HUD's possession can only be used for the specific repairs enumerated in the agreement signed at closing and cannot be used for operations.

It will be necessary for our office to establish a mechanism for determining which tenants are eligible for relocation among those who may be displaced.

On February 18, 1988, a task force comprising of cost and engineering personnel performed inspections of all the Amity Village properties and a preliminary report indicates that the cost of rehabilitation is greatly in excess of our prior estimates.

We will keep you apprised of further events and actions as they occur.

Sincerely,


Geraldine McGann, Director
Office of Housing

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